

**HMO**

Health Maintenance Organizations

**3RD ANNUAL REPORT  
TO THE CONGRESS**



**September 1977**



REPORTS

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U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE • Public Health Service



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This Report is submitted to meet the requirements of Section 1315 of Title XIII of the Public Health Service Act.

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE  
Public Health Service  
Division of Health Maintenance Organizations  
Rockville, Maryland 20857

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Capital Area Community Health Plan, Albany, N.Y.

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## **SUMMARY**

Section 1315 of the Health Maintenance Organization Act of 1973 directs the Secretary of Health, Education, and Welfare to periodically review the programs of assistance authorized by this title and make an annual report to the Congress summarizing the activities of each program.

The Secretary shall include in such report -

- (1) a summary of each grant, contract, loan, or loan guarantee made under this title in the period covered by the report and a list of the health maintenance organizations which during such period became qualified health maintenance organizations for purposes of section 1310;
- (2) the statistics and other information reported in such period to the Secretary in accordance with section 1301(c)(11);
- (3) findings with respect to the ability of the health maintenance organizations assisted under this title -
  - (A) to operate on a fiscally sound basis without continued Federal financial assistance,
  - (B) to meet the requirements of section 1301(c) respecting their organization and operation,
  - (C) to provide basic and supplemental health services in the manner prescribed by section 1310(b),
  - (D) to include indigent and high-risk individuals in their membership, and
  - (E) to provide services to medically underserved populations, and
- (4) findings with respect to -
  - (A) the operation of distinct categories of health maintenance organizations in comparison with each other,
  - (B) health maintenance organizations as a group in comparison with alternative forms of health care delivery, and
  - (C) the impact that health maintenance organizations, individually, by category, and as a group, have on the health of the public.

The operationally oriented evaluation issues can be met by using existing data sources. However, sections 1315(a)(3)(E), 1315(a)(4)(B), and 1315 (a)(4)(C), which require specific annual reports to the Congress, necessitate more sophisticated data collection procedures than are presently available. To assist in developing an acceptable procedure for collecting the necessary data, the Health Services Administration convened a panel of technical experts. The panel has recommended an annual survey approach. However, because of the complex nature of the comparative evaluation required by section 1315, it was decided to undertake a feasibility study before undertaking an annual survey. Such a feasibility study would:

1. develop an appropriate survey design,
2. examine the appropriateness of different data collection techniques,
3. determine the precision of each data collection procedure,
4. estimate the annual cost for each data collection procedure, and
5. identify problems that might be encountered in collecting the data.

The Health Services Administration has awarded a contract for such a feasibility study and the results of the study will be forthcoming during F.Y. 1978.

As of the end of F.Y. 1977, the stipulations of the Act have been met by 43 qualified HMOs. Thirty of these organizations have submitted detailed statistics on membership, utilization, and finances as of June 30, 1977. No Federal loan recipient has passed the drawdown period after which loan repayment begins and financial breakeven is projected to have been reached. Data reported by several plans for seven consecutive quarters show that they are making progress toward reaching breakeven. Based on available data, those projects with operating deficits are also making progress towards financial breakeven as expected.

One qualified HMO was notified that corrective action was necessary in order to be in compliance with the fiscal viability requirement of the HMO Act. An acceptable action plan was submitted, and the plan has been performing in accord with that plan. All plans are monitored to assure their continued compliance with respect to operations, provision of services, and financial viability.

## **Highlights of HMO Activities - Fiscal Year 1977**

- . As of September 30, 1977, 43 HMOs have been designated as qualified under the HMO Act. Twenty-five of these HMOs were qualified during F.Y. 1977.
- . Seventeen loans totaling \$33,179,000 and two loan guarantees totaling \$2,282,000 were committed during F.Y. 1977.
- . There was an average net increase of 394 members per month for each of 30 qualified HMOs reporting to DHEW in F.Y. 1977.
- . Hospital inpatient days per 1,000 members per year were 386 in group model HMOs, 405 in staff model HMOs, and 600 in IPAs. These figures are from 19 qualified HMOs reporting for all four quarters of F.Y. 1977.
- . Ambulatory encounters per member per year were 4.3 for group model HMOs, 4.5 for staff model HMOs, and 4.6 for IPAs, based on data from 19 HMOs reporting for all four quarters of F.Y. 1977.
- . Qualified HMOs with operating deficits are making progress toward becoming able to operate without continued Federal financial assistance.



## **HMO OVERVIEW**

During F.Y. 1977, HMO program action continued in the areas of financial support for projects which met the criteria for continued support and in the qualification of HMOs which met the requirements of Section 1310 of the HMO Act and applicable regulations. Other program actions to stimulate HMO growth included technical assistance to Federally assisted HMOs, promotional activities and coordination with State and other Federal agencies to stimulate national HMO growth and development.

Prospects for the accelerated development and growth of HMOs were improved by the enactment, early in the fiscal year, of P.L. 94-460, the HMO Amendments of 1976. These amendments alleviated a number of restrictions in the initial Act, and have already served to attract new interest in participation in the Federal program, particularly on the part of established HMOs.

### Qualification and Enrollment

There are 167 prepaid health plans, including qualified HMOs, with a total enrollment of about 6.4 million people. (See Table 17)

Forty-three plans have been qualified, and there are an additional 39 applicants awaiting qualification review. Operating reports show that these qualified HMOs have demonstrated effective controls on utilization. Technical assistance has been provided to those HMOs which have encountered problems in their early operations.

It is anticipated that by January 1978, approximately 50 HMOs will be qualified by the Federal Government, with a total enrollment of almost four million members.

### Grants and Loans

During the fiscal year ending September 30, 1977, 46 grants totaling \$16,947,329 were awarded for the development of HMOs. Of these grants, 26 for \$14.5 million were awarded for initial development, the final phase in the process of becoming an operational qualified HMO. Fifteen planning grants for approximately \$2.2 million were awarded to organizations that were in the initial planning stages of HMO development. Five grants for approximately \$.2 million were given to organizations seeking to demonstrate HMO feasibility. These feasibility grants were supplemental awards to organizations already in the feasibility phase. No feasibility awards were made in F.Y. 1977 to new applicants seeking to develop new HMOs.

With the awarding of \$16.9 million in F.Y. 1977, the total investment in HMO development since F.Y. 1975, the year the first awards were made by the Federal Government, is \$57.6 million.

Most of the grants awarded for HMO development in this fiscal year (26) were provided to consumer groups. Physician organizations received 13 grant awards, private groups received 1, and hospitals received 6, for the second or third phase of HMO development.

Medical groups and individual practice associations or medical foundations, at 22 and 24 grants respectively, were the major types of HMOs being developed.

#### Loans and Loan Guarantees

In F.Y. 1977, there were 17 loans and 2 loan guarantees approved by the Federal Government for those qualified HMOs seeking funds to offset their initial operating expenses. This brings the total to \$61 million in loans and \$2.3 million in loan guarantees that have been approved since 1975. The highest interest rate charged was 9.21 percent and the lowest was 7.25 percent.

#### Technical Assistance

Technical assistance is available for all grantees, including operating, qualified HMOs. Assistance is provided by both the Central Office staff in Washington, D.C. and the 10 DHEW Regional Offices located throughout the United States. Additional specialized assistance, when required, has been made available through consultants skilled in HMO operations. During F.Y. 1977, marketing and communications seminars were offered to grantees at five different locations throughout the country to assist them in developing improved relations with various components of their communities.

#### Informational Programs

The Division of Health Maintenance Organizations intensified its informational programs in F.Y. 1977. Routine telephone and written requests averaged more than 350 per month and as a result, 2,400 informational brochures were mailed each month. Program emphasis was again placed on labor and management organizations and the associations representing them.

The Division developed many conferences during the year under the sponsorship of private sector groups. These included national organizations such as the Washington Business Group on Health, U.S. Chamber of Commerce, and the International Foundation for Employee Benefit Plans, as well as regional, State, and local groups. These associations represent all major industrial firms in the United States. The same cooperation was provided to the Division by labor, health insurers, and medical professional organizations. Representatives from all groups also participated in dozens of

conferences throughout the nation. These meetings included representatives from large employer groups such as General Motors, Ford Motor Company, and U.S. Steel, as well as representatives from the AFL-CIO, United Mine Workers, and the Teamsters Union.

HMO Division staff has helped develop and has participated in several radio and television interviews and numerous newspaper and magazine articles to assist in providing the consumer with information regarding HMOs. These interviews and articles have played an important role in the HMO information program and such activities will be expanded in the next fiscal year.

## **GRANT ASSISTANCE**

To date, 290 grants totaling \$57,579,969 have been awarded under Title XIII of the Public Health Service Act. Slightly over 10 percent (10.3) of the funds awarded were for feasibility studies, 19.2 percent for planning, and 70.5 percent for initial development.

During F.Y. 1977, a total of \$16,947,329 in grant monies was awarded as prescribed by the HMO Act. Table 1 shows a breakdown of the amount of money awarded by type of grant.

Table 1. Funding by Type of Grant - F.Y. 1977

	Number of Grants Awarded	Total Amount Awarded
All Grants	46	\$16,947,329
Feasibility	5	208,686
Planning	15	2,223.133
Initial Development	26	14,515,510

Three of the above grants totaling \$849,991 were awarded to qualified HMOs for expansion of their membership and/or service areas.

Fourteen and one-half percent of this money was awarded to projects serving nonmetropolitan areas and 28 percent to projects serving areas designated as medically underserved. Figure 1 shows that more than half of this money was awarded to consumer-sponsored organizations. Table 2 gives a description of each grant awarded during F.Y. 1977. Tables 2 and 3 give detailed breakdowns of Title XIII grant funding to date.

## **LOAN ASSISTANCE**

To date, 34 HMOs have received loan assistance under Title XIII of the Public Health Service Act. Thirty-two of these organizations have received direct loan commitments totaling \$60,957.000 and two HMOs have received loan guarantee commitments of \$2,282,000.

During F.Y. 1977, 17 loans totaling \$33,179,000 were committed and two loan guarantees totaling \$2,282,000 were signed. Table 5 gives a description of each loan or loan guarantee made during this period.

TABLE 2

SUMMARY OF GRANT AWARDS UNDER TITLE XIII OF THE PHS ACT  
FISCAL YEARS 1975 - 1977

<u>Description</u>	<u>Awards</u>		
Grant Cycle	F.Y. 1975 Total	F.Y. 1976 Total	F.Y. 1977 Total
<u>Totals</u>	<u>172*</u>	<u>72*</u>	<u>46*</u>
<u>Sponsor</u>			
Consumer	83	34	26
Public	5	2	0
Hospital	23	9	6
Physician	47	22	13
Private	8	4	1
Medical School	6	1	0
Unknown	0	0	0
<u>Practice</u>			
Group	95	37	22
Individual	76	26	24
Undecided	2	0	0
<u>Grant Type</u>			
Feasibility	108	11	5
Planning	31	41	15
Initial Development	33	20	26
Supplemental	7	25	25
<u>Medically Underserved Areas</u>	25	10	13
<u>Non-Metropolitan</u>	31	15	9
<u>Amounts Awarded</u>	\$22,462,300	\$18,170,340	\$16,947,329

\*Grant awards exceed the number of organizations. Projects advancing to the next level of funding receive new awards. F.Y. 1975 totals are for 172 awards to 157 grantees, excluding 7 supplemental grants (2 planning, 5 initial development). F.Y. 1976 totals are for 72 awards to 64 grantees, excluding 25 supplements (3 feasibility, 2 planning and 20 initial development). F.Y. 1977 totals are for 46 awards to 42 grantees, excluding 25 supplements (1 feasibility, 11 planning, and 13 initial development). All dollar amounts include supplemental grants.

TABLE 3:

SUMMARY OF GRANT MONIES AWARDED UNDER TITLE XIII OF THE PHS ACT  
FISCAL YEARS 1975 - 1977

	F.Y. 1975	F.Y. 1976	F.Y. 1977	F.Y. 1975 - 1977
<u>ALL GRANTS</u>				
Number of grants awarded	172	72	46	290
Total dollars awarded	\$22,462,300	\$18,170,340	\$16,947,329	\$57,579,969
<u>TYPE OF GRANT</u>				
<u>Feasibility</u>				
Number of grants awarded	108	11	5	124
Total dollars awarded	\$ 5,196,281	\$ 509,370	\$ 208,686	\$ 5,914,337
<u>Planning</u>				
Number of grants awarded	31	41	15	87
Total dollars awarded	\$ 3,758,745	\$ 5,080,602	\$ 2,223,133	\$11,062,480
<u>Initial Development</u>				
Number of grants awarded	33	20	26	79
Total dollars awarded	\$13,507,274	\$12,580,368	\$14,515,510	\$40,603,152

Figure 1

**DISTRIBUTION OF HMO GRANT FUNDS  
BY TYPE OF SPONSOR**  
**FY 1977**

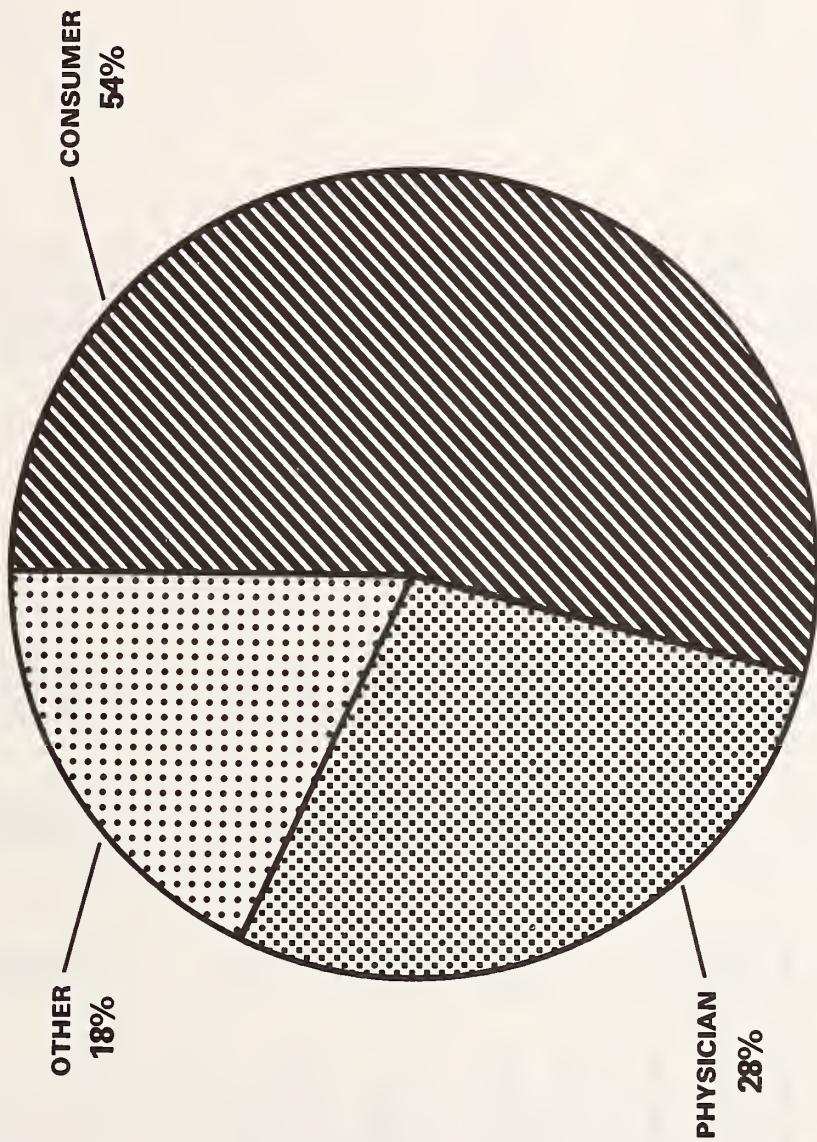


Table 4: HMO GRANT PROFILES

KEY:	ID-Initial Development	F-Feasibility Planning	P-Planning Active	GRP-Group Practice	CON-Consumer Q-Qualified
	IPA-Closed Panel	PRI-Private	PHY-Physician	HO SP-Hospital	(s) Supplemental (x) Expansion I-Inactive
<hr/>					
TYPE OF GRANT	MODEL	SPONSOR	NON-METRO MJA	FY 77 FUNDING	LOANS COMMITTED IN FY 77 (000s) STATUS
				\$146,108(s)	\$2,500 Q
<hr/>					
<u>REGION I</u>					
Connecticut	ID	GRP	CON		
• Connecticut Health Plan					
Massachusetts	ID	GRP	PHY		
• Fallon Community Health Plan				690,026	-0- A
New Hampshire	ID	GRP	PHY		
• Matthew Thornton			X	745,246	-0- A
<hr/>					
<u>REGION II</u>					
New Jersey	P	IPA	HOSP	40,232	-0- A
• CoMED	ID	IPA	HOSP	390,040	-0- A
"	ID	IPA	PHY	407,000	-0- A
"	ID	GRP	CON	7,551(s)	2,478 Q
New York	ID	GRP	CON	990,226	-0- A
• C. H. Plan of Suffolk	P	GRP	CON	X 125,000	-0- A
• Health Care Plan	P	GRP	CON	X 25,325(s)	-0- A
"	ID	GRP	CON	X 990,658	-0- A

Table 4: HMO GRANT PROFILES (Cont'd)

	TYPE OF GRANT	MODEL	SPONSOR	NON- METRO	MUA	FY 77 FUNDING	GRANT IN FY 77 (000's)	LOANS COMMITTED	STATUS
<b>New York (Cont'd)</b>									
• Sidney Hillman (Rochester)	P	IPA	CON			\$ 75,000(s)		-0-	A
• Western New York "	F P	IPA IPA	CON CON			75,000 8,751(s)		-0- -0-	A A
<b>REGION III</b>									
Maryland									
• Baltimore Regional Health Plan	P	IPA	CON			49,312		-0-	A
• East Baltimore Community Corp.	F	GRP	CON			10,000		-0-	A
• Metro Baltimore Health Care "	ID	GRP	CON			580,671		-0-	A
• Prince Georges Health Services	ID ID	GRP IPA	CON PHY			113,640(s) 477,320		-0- -0-	A A
Pennsylvania									
• Eastern Pa. HMO "	P ID	IPA IPA	CON CON			125,000 474,439		-0- -0-	A A
• Greater Delaware Valley	ID	IPA	CON			365,352		-0-	A
• HMO of Pennsylvania "	ID ID P	IPA IPA GRP	CON CON CON	X	X	122,850(s) 115,720(s) 149,024		-0- -0- -0-	Q Q A
• Country Roads									

Table 4: HMO GRANT PROFILES (Cont'd)

	TYPE OF GRANT	MODEL	SPONSOR	NON- METRO	MUA	FY 77 FUNDING	GRANT IN FY 77 (000s)	LOANS COMMITTED	STATUS
<b>REGION IV</b>									
Florida									
• CHI Health Plan, Inc.	P	IPA	CON			X \$ 70,225		-0-	A
• Prepaid Health Care	ID	GRP	CON			X 1,000,000		-0-	A
Georgia									
• Decatur Church of Christ	P	GRP	CON			125,000		-0-	A
" "	P	GRP	CON			69,250(s)		-0-	A
Kentucky									
• Health Care of Louisville	ID	GRP	CON			X 752,715(x)		-0-	Q
• Laurel River HMO	P	IPA	CON	X		125,000		-0-	A
Tennessee									
• Mid-South	P	IPA	CON			X 124,850		-0-	A
<b>REGION V</b>									
Illinois									
• Anchor Organization for HMO	ID	GRP	HOSP			135,892(s)		-0-	A
• Sidney Hillman Health Center	F	GRP	CON			17,310		-0-	I

Table 4: HMO GRANT PROFILES (Cont'd)

	TYPE OF GRANT	MODEL	SPONSOR	NON- METRO	MUA	FY 77 FUNDING	GRANT IN FY 77 (000s)	LOANS IN FY 77 (000s)	COMMITTED STATUS
<b>REGION V (Cont'd)</b>									
Michigan									
• Health Central, Inc.	ID	GRP	CON			\$ 910,000		-0-	A
• Tri-County (Genesee)	F P	IPA IPA	PHY PHY			9,100(s) 151,033		-0- -0-	A A
• Comprehensive Health Services of Detroit	ID	GRP	CON	X		266,080		-0-	A
Minnesota									
• GHANEM	ID	GRP	CON	X	X	300,000		-0-	A
Ohio									
• Buckeye Health "	P P P	IPA IPA IPA	PHY PHY PHY		X	59,631 55,746(s) 50,349(s)		-0- -0- -0-	A A A
• CHP of West Central Ohio	ID	IPA	HOSP	X		207,767		-0-	A
"	ID	IPA	HOSP	X		86,000(s) 74,936(x)		-0- \$681	A A
• Marion Health Plan • Toledo Health Plan	F ID	IPA GRP	PHY CON			100,000		-0-	A A
Wisconsin									
• Family Health Plan • Group Hlth Coop. of S. Cent. Wisconsin	P P	GRP GRP	CON CON			36,415(s) 125,000		-0- 2,500	A Q

Table 4: HMO GRANT PROFILES (Cont'd)

	TYPE OF GRANT	MODEL	SPONSOR	NON- METRO	MUA	FY 77 FUNDING	LOANS IN FY 77 (000s)	COMMITTED STATUS
<u>REGION VI</u>								
Louisiana								
• HMO of Baton Rouge	ID	GRP	PHY			\$ 902,296	-0-	A
Texas								
• Group Health of El Paso	ID	GRP	CON			133,557	-0-	A
• Health Prepaid	P	IPA	CON			124,916	-0-	A
• Metroplex	ID	IPA	PRIV			569,551	-0-	A
(Metro Care)								
• S.W. Medical Plan	ID	GRP	HOSP			744,048	-0-	A
• Tarrant	P	IPA	PRIV			75,000(s)	-0-	A
<u>REGION VII</u>								
Nebraska								
• Community Health Care	P	GRP	CON			73,394(s)	-0-	A
<u>REGION VIII</u>								
Colorado								
• Choice Care	F	IPA	PHY			22,340(x)	-0-	Q
• San Luis Valley	ID	IPA	PHY	X	X	63,547(s)	-0-	A
"	ID	IPA	PHY	X	X	38,796	-0-	A
Montana								
• South East Montana	P	IPA	PHY	X	X	12,500(s)	-0-	A

Table 4: HMO GRANT PROFILES (Cont'd)

	TYPE OF GRANT	MODEL	SPONSOR	NON- METRO	MUA	FY 77 FUNDING	GRANT IN FY 77	LOANS IN FY 77 (000s)	COMMITTED IN FY 77 (000s)	STATUS
<b>REGION VIII (Cont'd)</b>										
North Dakota	ID	IPA	PHY	X	X	\$ 570,923	-0-			A
• West River										
<b>REGION IX</b>										
California										
• Foundation Health Plan	ID	IPA	PHY				131,420(s)	-0-		Q
"	ID	IPA	PHY				73,795(s)	-0-		Q
"	ID	IPA	PHY				40,000	-0-		Q
"	ID	IPA	PHY				90,000(s)	-0-		Q
• HEALS (Alta Bates)	P	IPA	HOSP				150,930	-0-		A
• Pacificare	ID	IPA	HOSP				417,000	-0-		A
• Sierra HMO	P	IPA	HOSP				71,250(s)	-0-		A
• South L.A. Community Health Plan	ID	GRP	CON				90,000	-0-		A
"	ID	GRP	CON				90,000(s)	-0-		A
<b>REGION X</b>										
Idaho										
• GEM Health	ID	GRP	CON				185,276(s)	1,747		Q
• Idaho Foundation Medical Care	P	IPA	PHY				125,000	-0-		A

TABLE 5: LOAN COMMITMENTS FOR F.Y. 1977

Name of Plan	Date of Loan Commitment	Amount of Loan
Community Group Health Plan, Inc. (Prime Health) Kansas City, Missouri	11/24/76	\$2,273,000
Health Alliance of Northern California San Jose, California	11/24/76	2,342,000
Marion Health Foundation Marion, Ohio	8/15/77	681,000
Capital Area Community Health Plan, Inc. Albany, New York	12/04/76	1,832,000
Central Essex Health Plan East Orange, New Jersey	12/13/76	2,178,000
Metro Health Plan of Indianapolis Indianapolis, Indiana	1/26/77	1,264,000
Family Health Services Pomona, California	2/22/77	2,500,000
Connecticut Health Plan Bridgeport, Connecticut	2/25/77	2,500,000
Portland Metro Health Portland, Oregon	3/04/77	1,500,000
GEM Health Association, Inc. Boise, Idaho	5/23/77	1,747,000

TABLE 5: LOAN COMMITMENTS FOR F.Y. 1977 (CONTINUED)

Name of Plan	Date of Loan Commitment	Amount of Loan
HMO of Pennsylvania Willow Grove, Pennsylvania	6/15/77	\$2,500,000
Group Health Cooperative of South Central Wisconsin Madison, Wisconsin	6/15/77	2,500,000
Group Health Plan of New Jersey Guttenberg, New Jersey	6/23/77	2,478,000
Florida Health Care Plan, Inc. Daytona Beach, Florida	7/01/77	612,000
American Health Plan North Miami Beach, Florida	8/11/77	(Loan Guarantee)
Sound Health Association Tacoma, Washington	8/26/77	1,272,000
Cooperative Health Plan of Greater Spokane Spokane, Washington	8/30/77	2,500,000
Group Health Plan of Southeast Michigan Detroit, Michigan	8/31/77	2,500,000
AV-MED Health Plan Miami, Florida	9/23/77	(Loan Guarantee)
		1,100,000

## CHARACTERISTICS OF QUALIFIED HMO MEMBERSHIP

As of July 30, 1977, 30 of the 43 qualified HMOs were required by regulation to report quarterly to DHEW on their membership, utilization, and finances. Thirteen HMOs had not been qualified long enough to report. These 30 HMOs ranged in size from a low of 291 members to a high of 30,817 and had a total of 306,027 members. Their median membership was 8,429. Approximately 6 percent of the qualified HMO membership was enrolled in plans with less than 5,000 members, with the remainder of the membership fairly evenly distributed in HMO size categories as shown below:

Table 6: Distribution of HMO Membership by Size of Plan

	<u>Number of Plans</u>	<u>Percentage of Total HMO Membership</u>
All Qualified HMOs	30	100
Less Than 5,000 Members	7	6
5,000 - 9,999 Members	11	26
10,000 - 14,999 Members	7	27
15,000 - 24,999 Members	3	22
25,000 or More Members	2	19

Staff model HMOs have almost half of the total membership in qualified HMOs. The remaining membership is divided between group practice and individual practice associations as shown in the following table:

Table 7: Distribution of HMO Membership by Type of HMO Model

	<u>Number of Plans</u>	<u>Percentage of Total HMO Membership</u>
All Qualified HMOs	30	100
Group Practice HMOs	9	33
Individual Practice HMOs	6	19
Staff Model HMOs	15	48

Twenty-eight percent of the qualified HMO membership is enrolled in 14 plans that have been operational for less than 3 years. Three of the qualified HMOs have been operational for more than 5 years and contain 22 percent of the total qualified HMO membership. Fifty percent of the members of the qualified HMOs are in plans that have been operational from 3 to 5 years.

Table 8: Distribution of HMO Membership by Length of Time Operational

	<u>Number of Plans</u>	<u>Percentage of Total HMO Membership</u>
All Qualified HMOs	30	100
Less Than 1 Year	5	6
1 Year but Less Than 3 Years	9	22
3 Years but Less Than 5 Years	13	50
5 or More Years	3	22

Eighty-four percent of all HMO membership is employer group based. If Federal employees are included with other employer groups, then 90 percent of all qualified HMO membership is employer group based.

Table 9: Distribution of HMO Membership by Payment Source

	<u>Number of Plans With Type of Contract(s)</u>	<u>Percentage of Total Qualified HMO Membership</u>
Employer Group	30	84
Medicaid	9	6
Medicare	7	1
Federal Employee Health Benefit Plan	7	6
Non-Group	24	3

The indigent and high-risk population, as represented above by the Medicaid, Medicare, and non-group membership, comprises approximately 10 percent of the total qualified HMO membership.

The average net increase in HMO members per month for all HMOs was 394 for the year ending June 30, 1977. The highest rate of increase was in group practice-type HMOs.

Table 10: Average Net Increase in Membership per Month by Type of Practice

<u>Type of Practice</u>	<u>Number of Plans</u>	<u>Average Increase</u>
All Plans	30	394
Group	9	440
IPA	6	292
Staff	15	406

As the following table demonstrates, there is a noticeable relationship in the length of time an HMO has been operational and its average net increase in membership per month.

Table 11: Average Net Increase in Membership per Month  
By Length of Time Operational

<u>Length of Time Operational</u>	<u>Number of Plans</u>	<u>Average Increase</u>
All Plans	30	394
Less Than 1 Year	5	501
1 to 3 Years	9	407
3 to 5 Years	13	367
5 or More Years	3	294

Newer HMOs tend to have a larger net increase in membership per month. The two primary factors contributing to this faster growth are: 1) a heavier emphasis on marketing, and 2) their memberships have not stabilized to a point where normal turnover is experienced.

The individual practice association tends to have more members over age 65 and a higher proportion of females. These factors contribute to the IPA's higher utilization which is discussed later in this report. Tables 12 and 13 give detailed age and sex data on qualified HMO membership.

Table 12: Percent Distribution of Qualified HMO  
Membership\* by Sex and Model Type

	<u>Total</u>	<u>Male</u>	<u>Female</u>
All Plans	100.0	48.2	51.8
Group	100.0	49.1	50.9
IPA	100.0	47.0	53.0
Staff	100.0	48.4	51.6

\*Based on age/sex distribution of membership as reported by 22 qualified HMOs that were required to submit this data. As of June 30, 1977, 8 HMOs were not required to submit this report.

TABLE 13: PERCENT DISTRIBUTION OF QUALIFIED HMO MEMBERSHIP\* BY AGE AND MODEL TYPE  
 JULY 31, 1976 - JUNE 30, 1977

Type of HMO Model	Total	Age Category				Unknown
		0-14	15-24	25-44	45-64	
All Plans	100.0	28.3	19.2	34.4	15.9	2.1
Group	100.0	27.7	20.2	34.5	15.9	1.7
IPA	100.0	28.5	19.9	31.9	15.9	3.4
Staff	100.0	28.4	18.4	35.7	15.9	.1

\*Based on age/sex distribution of membership as reported by 22 qualified HMOs that were required to submit this data. As of June 30, 1977, 8 HMOs were not required to submit this report.



## **UTILIZATION DATA**

The utilization data presented in this report, with the exception of trend data, are based on information from 19 HMOs that reported for each quarter of the year ending June 30, 1977. The data are presented in this manner so that seasonal effects are minimized. The 19 HMOs that reported for the entire year are composed of 7 group models, 3 IPAs, and 9 staff models. The trend data referred to later in this report are based on 6 HMOs that have reported for 7 consecutive quarters.

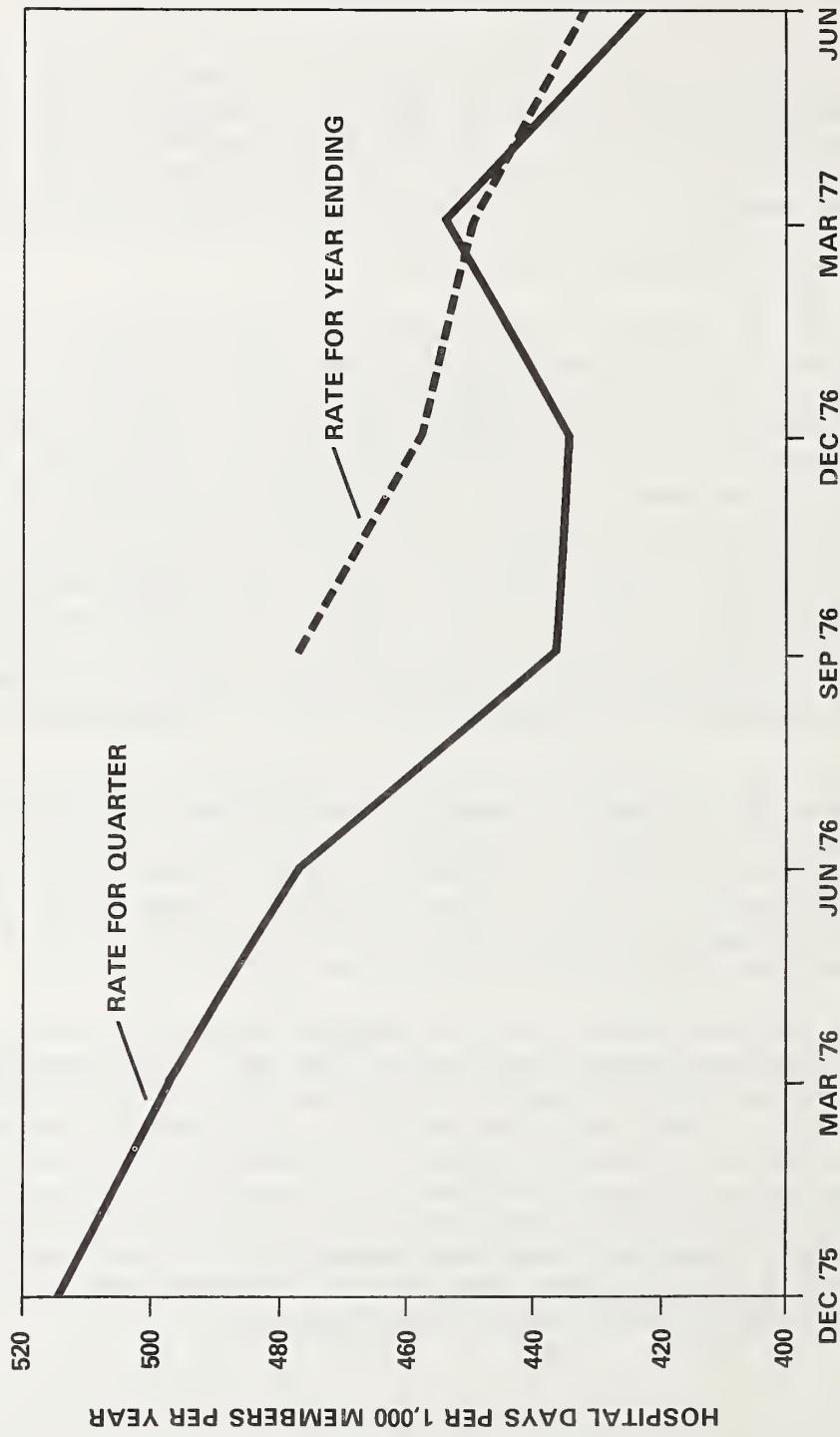
Because of a lack of available age/sex specific utilization data, the figures presented in this report have not been age/sex adjusted. Table 15 shows that the average length of hospital stay has a major effect on the difference between group and staff model HMO inpatient utilization rates. The average length of stay is about 8 percent higher in the staff model HMO than in the group model HMO and accounts for the difference in the utilization rate since the discharge rates are identical. The IPA has an average length of stay about 30 percent lower than the group model; however, the admission/discharge rate of the IPA is more than double that of the group/staff model HMOs. The net effect is an IPA inpatient utilization rate about 45 percent higher than that of the group model. It is obvious that some of the increased IPA utilization rate is caused by the age/sex mixture of the membership which exposes the IPA to a slightly higher risk.

To present some idea of trends in hospital utilization, a graph of hospital utilization rates by quarter for those 6 plans that have reported for at least 7 quarters is included. (See Figure 2) Note that the overall trend in hospital utilization rates is downward. Figure 6 shows that in those plans that reported for the entire year, hospital utilization is virtually the same in those that have been operational for more than 3 years and those that have been operational for less than 3 years.

The ambulatory encounter rate, like the hospital utilization rate, is highest in the IPA and lowest in the group model HMO. When Medicaid and Medicare members are not considered, the IPA encounter rate is identical to that of the group model HMO. (See Table 14) The trend in the ambulatory encounter rate, as can be seen in Figure 3, is downward, just as is the hospitalization rate in those plans that have reported for 7 quarters. In the 19 qualified HMOs that have reported for at least a year, the encounter rate for those that have been operational for less than 3 years is approximately 20 percent lower than that of the plans that have been operational for longer than 3 years. (See Figure 6)

Figure 2

### HOSPITAL UTILIZATION IN QUALIFIED HMOs\*

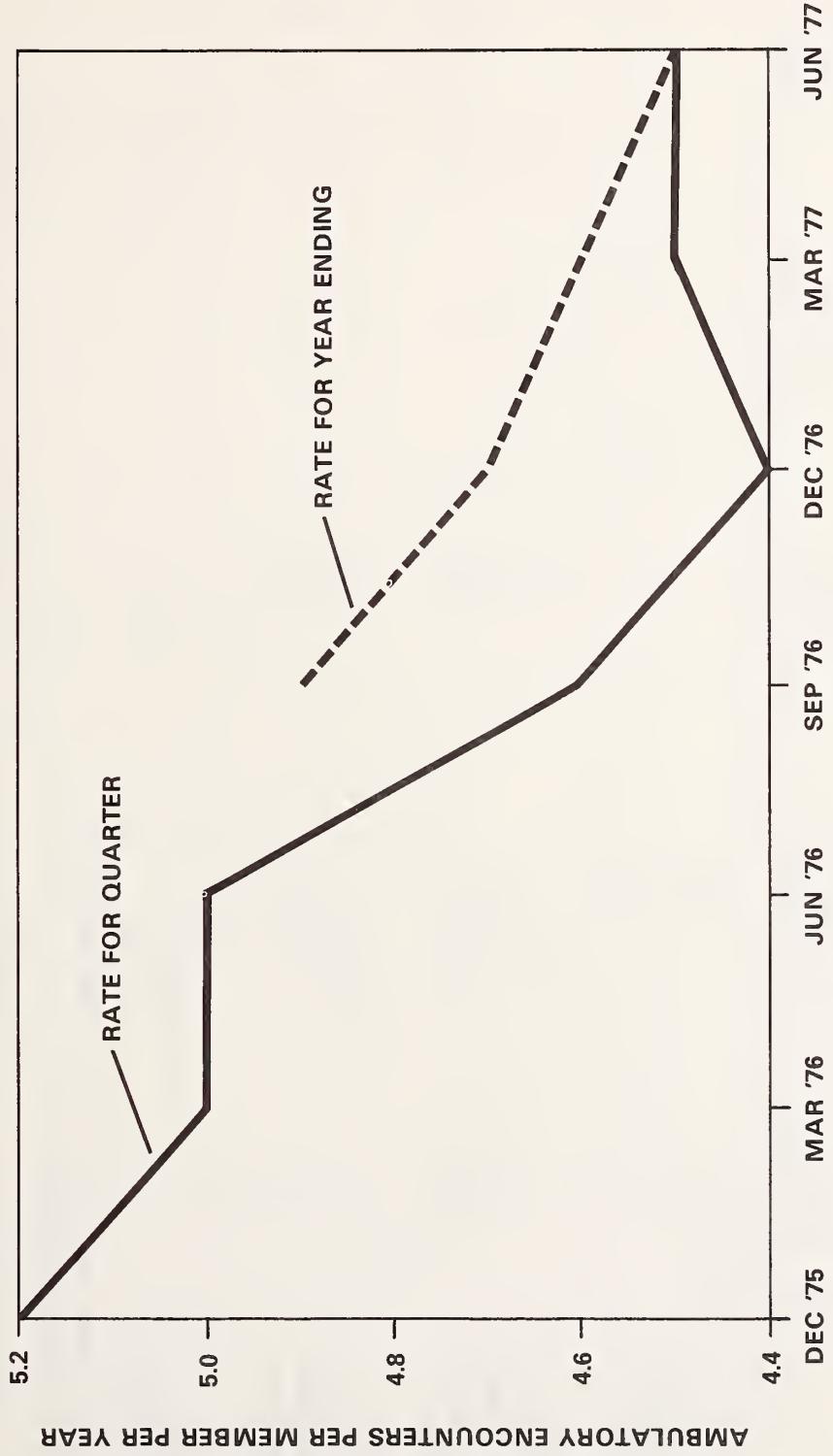


\* BY QUARTER AND ONE YEAR MOVING AVERAGES

(data from qualified HMOs that have reported for 7 consecutive quarters)

Figure 3

**AMBULATORY ENCOUNTER RATES IN QUALIFIED HMOs\***



\* BY QUARTER AND ONE YEAR MOVING AVERAGES

(data from qualified HMOs that have reported for 7 consecutive quarters)

TABLE 14: AMBULATORY ENCOUNTERS PER MEMBER PER YEAR BY  
TYPE OF HMO MODEL AND PAYMENT SOURCE

	A11 Encounters	Medical Encounters	Mental Health Encounters	Dental Encounters	A11 Other Encounters
Group	4.3	4.0	.1	.1	.1
Medicaid	5.5	4.2	1/	.8	.5
Medicare	7.6	7.2	.2	—	.2
Other	4.2	3.9	.1	.1	.1
Staff	4.5	3.9	.1	.1	.4
Medicaid	3.8	3.1	.1	.2	.4
Medicare	11.3	9.7	.2	.1	1.1
Other	4.4	3.8	.1	.1	.3
IPA	4.6	4.2	.2	1/	.1
Medicaid	6.7	6.3	.4	1/	.1
Medicare	—	—	—	—	—
Other	4.2	3.9	.1	.1	.1

1/ Less than one-tenth of one percent.

— Not applicable

NOTE: The above table includes data from only the 19 qualified HMOs that reported for the entire year ending June 30, 1977.

TABLE 15: INPATIENT HOSPITAL DATA BY TYPE OF HMO MODEL AND PAYMENT SOURCE

	Hospital Days per 1,000 Members per Year	Average Length of Stay	Hospital Discharges per 1,000 Members per Year
Group			
Medicaid	386	5.0	75
Medicare	588	-	-
Other	1,835	11.5	87
	367	5.0	75
Staff			
Medicaid	405	5.4	75
Medicare	437	4.7	93
Other	1,692	8.5	199
	390	5.3	73
IPA			
Medicaid	600	3.4	168
Medicare	977	5.4	210
Other	-	-	-
	548	3.3	167

- Not applicable

NOTE: The above table includes data from only the 19 qualified HMOs that reported for the entire year ending June 30, 1977.



## **FINANCIAL DATA**

Figure 5 shows actual income as a percent of actual expense by quarter for those HMOs that reported for seven consecutive quarters. As a group, they are consistently making progress toward the breakeven point where further Federal financial assistance will not be needed. During the fourth quarter of 1976, the actual income for these plans was 72 percent of their actual expenses. For the second quarter of 1977, their actual income was 87 percent of their actual expenses.

Of the 19 plans that reported for each quarter of the year ending June 30, 1977, the IPAs had the highest deficit per member month. The term "deficit" as used in this report refers to the difference between an HMO's operating expenses and its actual income. Those federally qualified HMOs in a deficit position have, through financial plans presented to DHEW, projected a 3 to 5 year deficit period. They have received Federal loan assistance under Title XIII of the Public Health Service Act and, based on their financial plans and other materials, have been found to be financially viable by DHEW.

This means that upon expiration of their loan assistance period they will no longer be in a deficit position and will therefore be able to operate without further assistance. Table 16 shows actual and planned income, expenses, and deficit by type of HMO model.

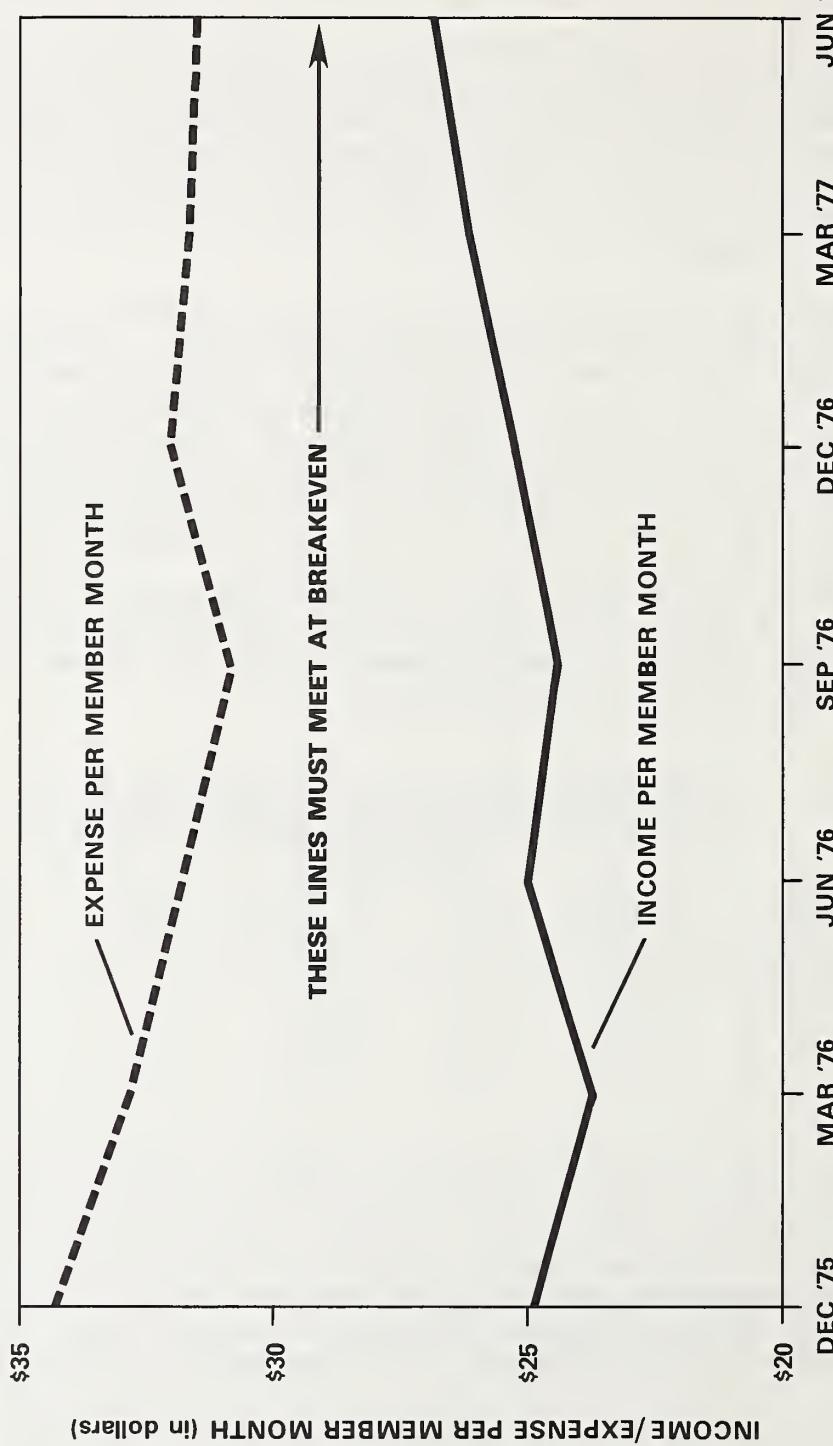
Table 16: Income, Expenses, and Deficit per Member Month  
by Type of HMO Model for the Year Ending  
June 30, 1977

	Actual Income	Planned Income	Actual Expenses	Planned Expenses	Actual Deficit	Planned Deficit
Group	\$24.87	\$25.27	\$30.10	\$30.56	\$5.23	\$5.29
Staff	26.33	25.52	31.28	29.97	4.95	4.45
IPA	25.53	26.13	32.26	33.26	6.73	7.13

Figures 4 and 5 show trends in income and expense per member month for those plans that reported for seven consecutive quarters. There is a general increase in income and a decrease in expenses. The net effect is a substantial decrease in the per member month deficit. Figure 6 shows that those HMOs that have been operational for less than three years have 10 percent lower income per member month and 10 percent higher expense per member month than those HMOs that have been operational for more than three years.

Figure 4

**INCOME AND EXPENSE PER MEMBER MONTH IN QUALIFIED HMOs\***

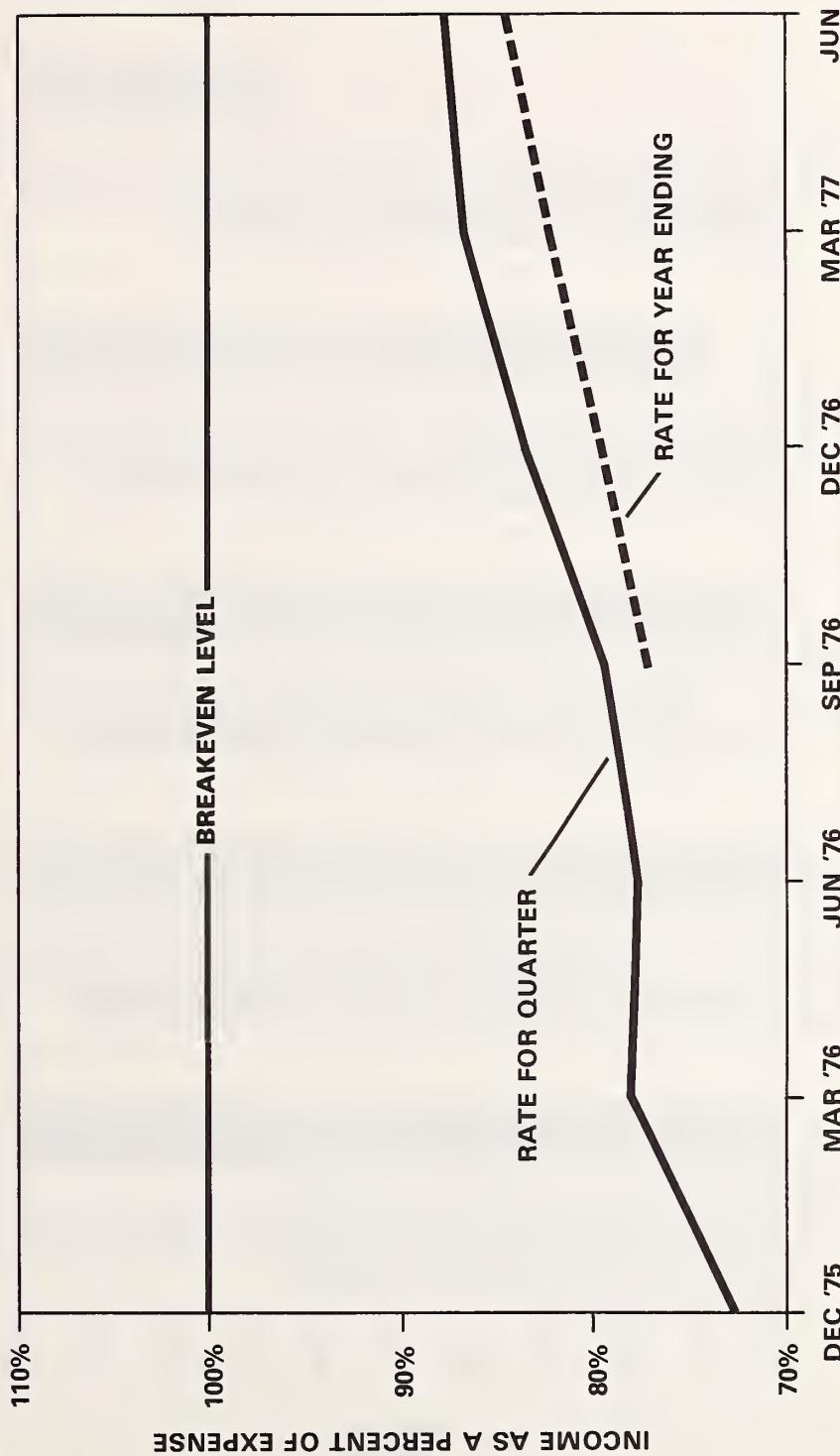


\* BY QUARTER AND ONE YEAR MOVING AVERAGES

(data from qualified HMOs that have reported for 7 consecutive quarters)

Figure 5

**INCOME AS A PERCENT OF EXPENSE IN QUALIFIED HMOs\***



\* BY QUARTER AND ONE YEAR MOVING AVERAGES

(data from qualified HMOs that have reported for 7 consecutive quarters)

Figure 6

**COMPARISON OF HMO UTILIZATION, EXPENSE, AND DEFICIT  
BY LENGTH OF TIME OPERATIONAL**

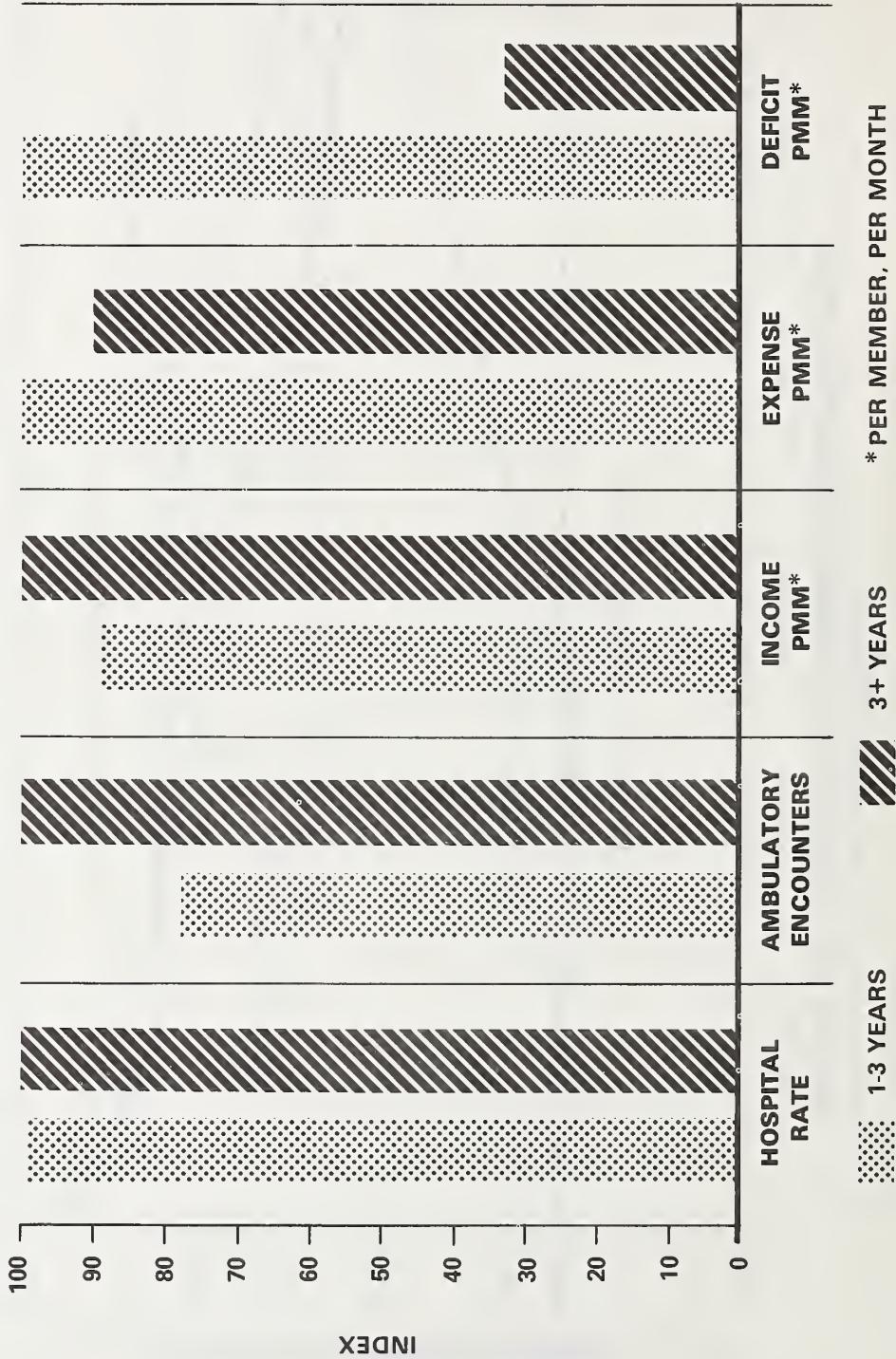
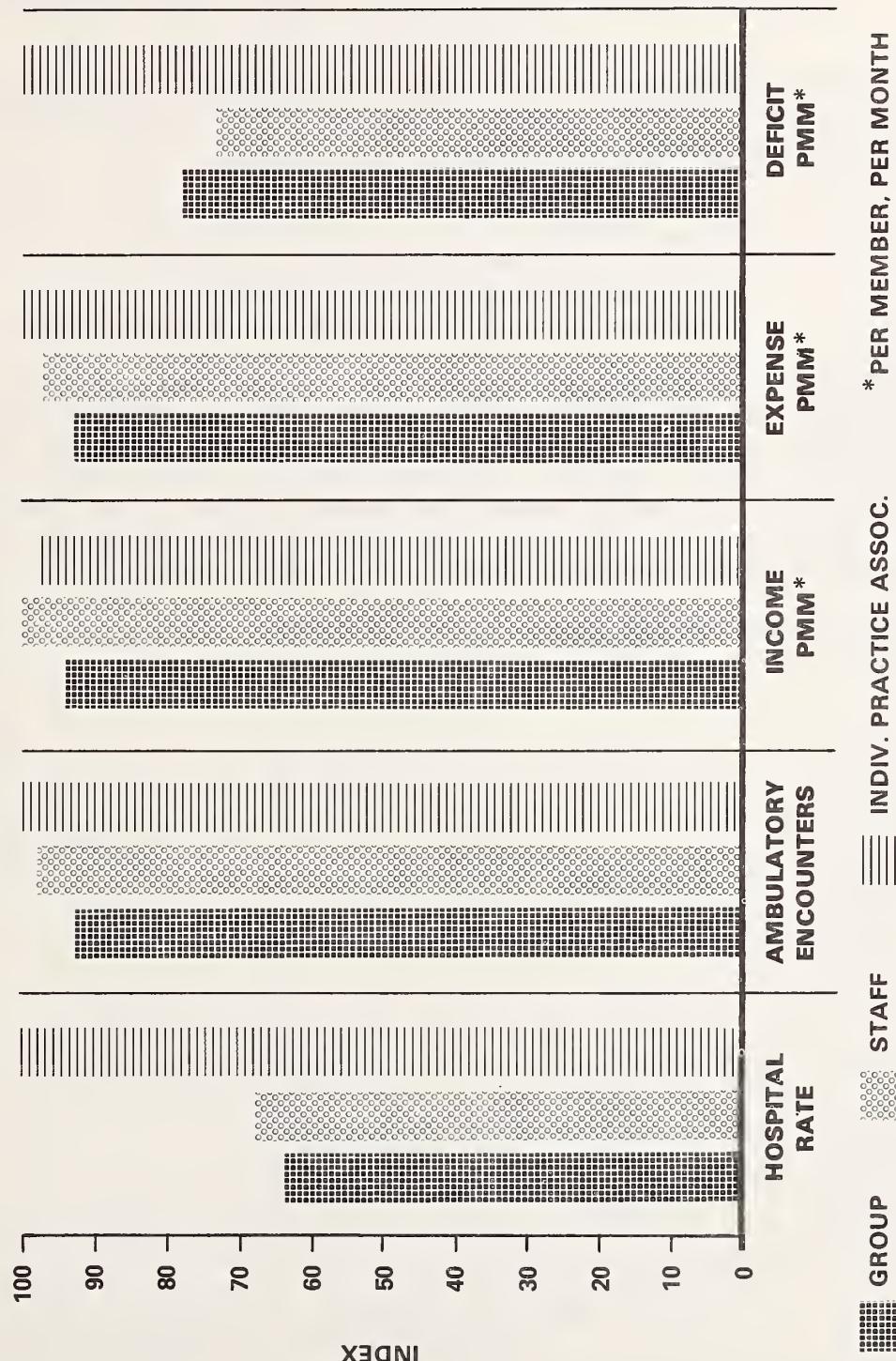


Figure 7

**COMPARISON OF HMO UTILIZATION, EXPENSE, AND DEFICIT  
BY TYPE OF HMO MODEL**



## **NATIONAL HMO ACTIVITY - 1977 HMO CENSUS**

In July 1977, several private organizations completed a National Census of prepaid plans or HMO-like plans. The consortium of organizations that conducted this Census included:

Blue Cross Association  
Blue Shield  
Health Insurance Association of America  
Group Health Association of America  
American Association of Foundation Medical Care

There was a total of 165 such plans with slightly over 6.3 million members. The tables that follow show some general characteristics of these plans with respect to membership and utilization. In these tables, the utilization data of federally qualified HMOs may differ from that shown elsewhere in this report because the tables include plans that have been operational for less than a year and because the Census data cover different time periods than other data in this report.

Table 17 shows prepaid plan activity by State.

TABLE 17: PREPAID HEALTH CARE PLAN ACTIVITY BY STATE - SEPTEMBER 1977

State	HMO Act or Equivalent	Medicaid Contract	HEW-Supported HMO Projects Active 10/31/77 <sup>2/</sup>	Qualified HMOs	Prepaid Plans	Enrollment <sup>1/</sup>	
						Qualified HMOs	All Prepaid Plans
Alabama			1	1			624
Alaska							
Arizona	X			3			86,899
Arkansas	X			1			3,300
California	X	X	9	5	30	193,385	3,132,553
Colorado	X	X	4	3	5	31,320	112,272
Connecticut	X		3	2	3	25,053	45,403
Delaware							
Florida	X		3	3	5	12,155	95,174
Georgia			2				
Hawaii		X		3		104,785	157,201
Idaho	X		2	1	1	2,730	2,730
Illinois	X	X	5	3	12	30,844	133,042
Indiana				1	1	7,469	7,469
Iowa	X				1		
Kansas	X						
Kentucky	X	X	2	1	4	9,610	30,483
Louisiana			1		1		10,000
Maine	X	X			2		4,612
Maryland	X	X	4		2		27,000
Massachusetts	X	X	2	1	6	64,000	80,760
Michigan	X	X	6	1	5		136,583
Minnesota	X	X	2	1	9	14,901	179,105
Mississippi			1				
Missouri			3	1	4	6,918	59,383
Montana			1				
Nebraska			1		3		9,288
Nevada	X						
New Hampshire	X		1		1		2,100
New Jersey	X		7	4	6	20,726	35,017
New Mexico			2		2		21,750
New York	X	X	9	3	8	45,726	806,279
No. Carolina	X				1		10,000

1/ Qualified HMO enrollment as reported for September 1977.  
 Prepaid plan enrollment is as of July 1977.

2/ Grant supported projects qualified or pursuing qualification.

TABLE 17: PREPAID HEALTH CARE PLAN ACTIVITY BY STATE - SEPTEMBER 1977  
 (Continued)

State	HMO Act or Equivalent	Medicaid Contract	HEW-Supported HMO Projects Active 10/31/77 <sup>2/</sup>	Qualified HMOs	Prepaid Plans	Enrollment <sup>1/</sup>	
						Qualified HMOs	All Prepaid Plans
North Dakota	X		1				
Ohio	X		5	1	5	3,089	153,995
Oklahoma	X						
Oregon		X	3	1	5	8,933	236,430
Pennsylvania	X	X	5	3	7	26,551	71,727
Rhode Island	X	X	1	1	3	22,483	24,006
South Carolina	X	X		1	1	3,524	2,500
South Dakota	X						
Tennessee	X		1				
Texas	X		6	<sup>1</sup> <sub>3</sub> /	4	8,045	18,243
Utah	X	X	1	<sup>1</sup> <sub>3</sub> /	1	15,000	15,000
Vermont							
Virginia							
Washington	X	X	3	2	6	12,288	240,556
West Virginia	X		2		1		5,500
Wisconsin			2	1	11	879	266,676
Wyoming							
Dist. of Columbia		X	3	<sup>2</sup> <sub>3</sub> /	3	134,924	146,673
Guam				<sup>1</sup> <sub>3</sub> /	1	33,585	
 Totals	 33	 18	 104	 43	 167	 734,138	 6,373,728

1/ Qualified HMO enrollment as reported for September 1977.  
 Prepaid plan enrollment is as of July 1977.

2/ Grant supported projects qualified or pursuing qualification.

3/ Not included in totals because this is a branch of a qualified HMO that is being counted in another State.

TABLE 18: NUMBER OF PREPAID PLANS AND TOTAL PREPAID ENROLLMENT  
BY AGE OF PLAN - JULY 1977

PREPAID PLAN AGE GROUPINGS	NUMBER OF PLANS	1977 MEMBERSHIP
ALL PLANS.....	165	6,330,676
LESS THAN 1 YEAR.....	16	27,227
1 - 2 YEARS.....	34	213,142
3 - 9 YEARS.....	85	1,460,041
10 OR MORE YEARS.....	19	4,472,125
PLANS NOT RESPONDING TO HMO CENSUS....	11	158,141*

\*Membership as of June 1976

TABLE 19: NUMBER OF PREPAID PLANS AND TOTAL PREPAID ENROLLMENT  
BY TYPE OF SPONSOR - JULY 1977

TYPE OF SPONSOR	NUMBER OF PLANS	1977 MEMBERSHIP
ALL PLANS.....	165	6,330,676
PHYSICIAN.....	32	503,776
CARRIER.....	42	1,316,138
HOSPITAL.....	8	52,862
CONSUMER.....	53	3,867,853
UNION.....	3	43,856
UNIVERSITY.....	10	160,722
PUBLIC.....	4	26,696
OTHER.....	10	271,123
TYPE OF SPONSOR UNKNOWN.....	3	87,650

TABLE 20: NUMBER OF PREPAID PLANS AND TOTAL PREPAID ENROLLMENT  
BY TYPE OF PRACTICE - JULY 1977

TYPE OF PRACTICE	NUMBER OF PLANS	1977 MEMBERSHIP
ALL PLANS.....	165	6,330,676
GROUP.....	106	5,708,130
IPA.....	40	413,852
NETWORK.....	14	186,044
OTHER.....	2	9,500
TYPE OF PRACTICE UNKNOWN.....	3	13,150

TABLE 21: NUMBER OF PREPAID PLANS AND TOTAL PREPAID ENROLLMENT  
BY SIZE OF PLAN - JULY 1977

PREPAID PLAN SIZE GROUPINGS	NUMBER OF PLANS	1977 MEMBERSHIP
ALL PLANS.....	165	6,330,676
1 - 4,999.....	55	126,593
5,000 - 14,999.....	53	463,700
15,000 - 24,999.....	18	364,545
25,000 - 49,999.....	13	414,708
50,000 - 99,999.....	4	307,718
100,000 - OR MORE.....	11	4,495,271
PLANS NOT RESPONDING TO HMO CENSUS...	11	158,141

NOTE: Membership data for plans that did not report are as of June 1976

TABLE 22: NUMBER OF PREPAID PLANS AND HOSPITAL DAYS PER 1,000 MEMBERS  
BY AGE OF PLAN - JULY 1977

PREPAID PLAN AGE GROUPINGS	NUMBER OF PLANS	HOSPITAL DAYS PER 1,000 MEMBERS (WEIGHTED)*	MEAN HOSPITAL DAYS PER 1,000 MEMBERS	MEDIAN HOSPITAL DAYS PER 1,000 MEMBERS
ALL PLANS.....	126	488	519	488
LESS THAN 1 YEAR...	6	349	392	369
1 - 2 YEARS.....	30	604	577	526
3 - 9 YEARS.....	75	477	509	493
10 OR MORE YEARS...	15	486	501	408

NOTE: This table includes only those plans that reported hospital utilization in the 1977 HMO Census

\*Weighted by membership of plan

TABLE 23: NUMBER OF PREPAID PLANS AND HOSPITAL DAYS PER 1,000 MEMBERS  
BY TYPE OF PRACTICE - JULY 1977

TYPE OF PRACTICE	NUMBER OF PLANS	HOSPITAL DAYS PER 1,000 MEMBERS (WEIGHTED)*	MEAN HOSPITAL DAYS PER 1,000 MEMBERS	MEDIAN HOSPITAL DAYS PER 1,000 MEMBERS
ALL PLANS.....	126	488	519	488
GROUP.....	82	482	500	458
IPA.....	31	583	605	531
NETWORK.....	11	484	462	425
OTHER.....	2	261	272	272

NOTE: This table includes only those plans that reported hospital utilization in the 1977 HMO Census

\*Weighted by membership of plan

TABLE 24: NUMBER OF PREPAID PLANS AND HOSPITAL DAYS PER 1,000 MEMBERS  
BY FEDERAL QUALIFICATION STATUS - JULY 1977

FEDERAL QUALIFICATION STATUS	NUMBER OF PLANS	HOSPITAL DAYS PER 1,000 MEMBERS (WEIGHTED)*	MEAN HOSPITAL DAYS PER 1,000 MEMBERS	MEDIAN HOSPITAL DAYS PER 1,000 MEMBERS
ALL PLANS .....	126	488	519	488
FEDERALLY QUALIFIED.....	33	420	462	455
NOT FEDERALLY QUALIFIED.	93	495	539	502

NOTE: This table includes only those plans that reported hospital utilization in the 1977 HMO Census

\*Weighted by membership of plan

TABLE 25: NUMBER OF PREPAID PLANS AND PHYSICIAN VISITS PER MEMBER  
BY AGE OF PLAN - JULY 1977

PREPAID PLAN AGE GROUPINGS	NUMBER OF PLANS	PHYSICIAN VISITS PER MEMBER (WEIGHTED)*	MEAN PHYSICIAN VISITS PER MEMBER	MEDIAN PHYSICIAN VISITS PER MEMBER
ALL PLANS.....	119	3.8	3.9	3.8
LESS THAN.....	6	3.4	3.7	4.5
1 - 2 YEARS.....	27	3.7	3.7	3.7
3 - 9 YEARS.....	69	3.7	4.0	3.8
10 OR MORE YEARS.....	17	3.8	4.1	4.0

NOTE: This table includes only those plans that reported physician visits in the 1977 HMO Census

\*Weighted by membership of plan

TABLE 26: NUMBER OF PREPAID PLANS AND PHYSICIAN VISITS PER MEMBER  
BY TYPE OF PRACTICE - JULY 1977

TYPE OF PRACTICE	NUMBER OF PLANS	PHYSICIAN VISITS PER MEMBER (WEIGHTED)*	MEAN PHYSICIAN VISITS PER MEMBER	MEDIAN PHYSICIAN VISITS PER MEMBER
ALL PLANS.....	119	3.8	3.9	3.8
GROUP.....	79	3.8	4.0	3.8
IPA.....	29	3.3	3.5	3.2
NETWORK.....	10	4.1	4.1	4.2
OTHER.....	1	5.5	5.5	5.5

NOTE: This table includes only those plans that reported physician visits in the 1977 HMO Census

\*Weighted by membership of plan

TABLE 27: NUMBER OF PREPAID PLANS AND PHYSICIAN VISITS PER MEMBER BY FEDERAL QUALIFICATION STATUS - JULY 1977

FEDERAL QUALIFICATION STATUS	NUMBER OF PLANS	PHYSICIAN VISITS PER MEMBER (WEIGHTED)*	MEAN PHYSICIAN VISITS PER MEMBER	MEDIAN PHYSICIAN VISITS PER MEMBER
ALL PLANS.....	119	3.8	3.9	3.8
FEDERALLY QUALIFIED.....	35	4.0	4.0	4.2
NOT FEDERALLY QUALIFIED...	84	3.8	3.9	3.8

NOTE: This table includes only those plans that reported physician visits in the 1977 HMO Census

\*Weighted by membership of plan



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## **PROFILES OF QUALIFIED HMOs**

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MAXI-CARE

Hawthorne, California

Plan Description

Qualification Date: 3/25/76  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 3/1/72  
Type of Practice: IPA  
MUA Priority: No

Membership Data as of 6/30/77

Total: 14,221  
Medicaid: 2,437  
Medicare: 105  
Net Change for Year: 8,436  
Average Members per Contract: 2.3

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 380  
Medical Encounters per Member: 3.8  
Other Ambulatory Encounters per Member: 0.9

Financial Data for Year Ending

6/30/77

Income per Member per Month: \$29.93  
Expense per Member per Month: \$28.47

DHEW Assistance: None

FAMILY HEALTH PROGRAM

Long Beach, California

Plan Description

Qualification Date: 7/29/77  
Sponsorship: Private  
Non-Metropolitan: No  
Operational Date: 1965  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 47,609  
Medicaid: \*  
Medicare: 2,253  
Net Change for Year: \*  
Average Members per Contract: \*

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 365  
Medical Encounters per Member: 5.5  
Other Ambulatory Encounters per Member: \*

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
Expense per Member per Month: \*

DHEW Assistance: None

\*Plan has not been qualified long enough to submit required reports to DHEW.

NOTE: Family Health Programs in Long Beach, Guam, and Utah have been qualified as one HMO.

CMG HEALTH PLAN  
Los Angeles, California

Plan Description

Qualification Date: 7/19/77  
Sponsorship: \*  
Non-Metropolitan: No  
Operational Date: 5/1/71  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 108,144  
Medicaid \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 252  
Medical Encounters per Member: \*  
Other Ambulatory Encounters per Member: \*

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
Expense per Member per Month: \*

DHEW Assistance: None

\*Plan has not been qualified long enough to submit required reports to DHEW.

FAMILY HEALTH SERVICES  
Pomona, California

Plan Description

Qualification Date: 12/14/76  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 5/1/73  
Type of Practice: IPA  
MUA Priority: No

Membership Data as of 6/30/77

Total: 11,547  
Medicaid: 7,935  
Medicare: 0  
Net Change for Year: 516  
Average Members per Contract: 2.5

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 325  
Medical Encounters per Member: 4.1  
Other Ambulatory Encounters per Member: 0.8

Financial Data for Year Ending

6/30/77

Income per Member per Month: \$30.65  
Expense per Member per Month: \$41.93

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Loan	\$2,500,000	\$2,500,000

NOTE: Utilization, membership, and financial data are for the two-quarter period ending 6/30/77. The plan was not required to report for the previous two quarters. Utilization data have been annualized.

HEALTH ALLIANCE OF NORTHERN CALIFORNIA  
San Jose, California

Plan Description

Qualification Date: 11/29/76  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 4/1/73  
Type of Practice: Group  
MUA Priority: No

Membership Data as of 6/30/77

Total: 8,504  
Medicaid: 965  
Medicare: 0  
Net Change for Year: 1,380  
Average Members per Contract: 2.0

DHEW Assistance: Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$ 722,224
Loan	2,342,000

NOTE: Utilization, membership, and financial data are for the two-quarter period ending 6/30/77. The plan was not required to report for the previous two quarters. Utilization data have been annualized.

COLORADO HEALTH CARE SERVICES, INC.  
Denver, Colorado

Plan Description

Qualification Date: 8/20/76  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 7/1/74  
Type of Practice: IPA  
MUA Priority: No

Membership Data as of 6/30/77

Total: 5,075  
Medicaid: 0  
Medicare: 41  
Net Change for Year: 3,186  
Average Members per Contract: 2.0

DHEW Assistance: Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$ 528,895
Loan	1,413,000

NOTE: Utilization, membership, and financial data are for the three-quarter period ending 6/30/77. The plan was not required to report for the previous quarter. Utilization data have been annualized.

CHOICE CARE HEALTH SERVICES  
Fort Collins, Colorado

Plan Description

Qualification Date: 8/12/76  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 4/1/74  
Type of Practice: IPA  
MUA Priority: No

Membership Data as of 6/30/77

Total: 11,080  
Medicaid: 1,790  
Medicare: 0  
Net Change for Year: 8,004  
Average Members per Contract: 1.9

DHEW Assistance: Fiscal Year 1977

Title XIII Grants	\$22,430
Loan	

Utilization Data for Year Ending  
6/30/77

Hospital Days per 1,000 Members: 441  
Medical Encounters per Member: 3.7  
Other Ambulatory Encounters per Member: 0.3

Financial Data for Year Ending  
6/30/77

Income per Member per Month: \$22.06  
Expense per Member per Month: \$26.44

ROCKY MOUNTAIN HMO

Grand Junction, Colorado

Plan Description

Qualification Date: 12/29/75  
Sponsorship: Physician  
Non-Metropolitan: Yes  
Operational Date: 1/1/74  
Type of Practice: IPA  
MUA Priority: Yes

Membership Data as of 6/30/77

Total: 10,310  
Medicaid: 2,227  
Medicare: 0  
Net Change for Year: 1,020  
Average Members per Contract: 1.8

DHEW Assistance: Fiscal Year 1977

Title XIII Grants	
Loan	

Utilization Data for Year Ending  
6/30/77

Hospital Days per 1,000 Members: 691  
Medical Encounters per Member: 5.0  
Other Ambulatory Encounters per Member: 0.3

Financial Data for Year Ending  
6/30/77

Income per Member per Month: \$27.27  
Expense per Member per Month: \$30.37

Cumulative	
\$192,937	
332,000	

CONNECTICUT HEALTH PLAN  
Bridgeport, Connecticut

Plan Description

Qualification Date: 3/15/77  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 3/1/77  
Type of Practice: Staff  
MUA Priority: Unknown

Membership Data as of 6/30/77

Total: 1,124  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 861  
Average Members per Contract: 2.6

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants	\$ 146,108	\$1,071,042
Loan	2,500,000	2,500,000

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 339  
Medical Encounters per Member: 6.7  
Other Ambulatory Encounters per  
Member: 0.5

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \$26.12  
Expense per Member per Month: \$126.61\*

\*This number is unusually high because of startup costs and low membership base.

NOTE: Data on this plan are for the quarter ending 6/30/77. The plan was not required to report for the previous three quarters. Utilization data have been annualized.

COMMUNITY HEALTH CARE CENTER PLAN, INC.  
New Haven, Connecticut

Plan Description

Qualification Date: 10/31/75  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 1/1/71  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 22,353  
Medicaid: 0  
Medicare: 778  
Net Change for Year: 3,180  
Average Members per Contract: 2.2

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants	\$ 362,461	\$ 362,461
Loan	2,090,000	2,090,000

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 494  
Medical Encounters per Member: 4.8  
Other Ambulatory Encounters per  
Member: 0.5

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \$29.97  
Expense per Member per Month: \$30.20

GEORGETOWN UNIVERSITY COMMUNITY HEALTH PLAN  
Washington, D.C.

Plan Description

Qualification Date: 5/26/76  
Sponsorship: Medical School  
Non-Metropolitan: No  
Operational Date: 9/1/73  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 27,782  
Medicaid: 772  
Medicare: 0  
Net Change for Year: 10,452  
Average Members Per Contract: 2.4

DHEW Assistance: Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$ 884,251
Loan	1,982,000

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 313  
Medical Encounters per Member: 3.4  
Other Ambulatory Encounters per Member: 0.7

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \$26.59  
Expense per Member per Month: \$32.11

FLORIDA HEALTH CARE PLAN

Daytona Beach, Florida

Plan Description

Qualification Date: 8/20/76  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 8/1/74  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 6,001  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 1,344  
Average Members per Contract: 2.6

DHEW Assistance: Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$ 124,456
Loan	2,058,000

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 324  
Medical Encounters per Member: 4.4  
Other Ambulatory Encounters per Member: 0.6

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \$21.65  
Expense per Member per Month: \$31.64

NOTE: This plan was notified on May 26 that corrective action was necessary to bring it again in compliance with the fiscal viability requirements of the HMO Act. An acceptable action plan was submitted and the plan has been performing in accord with that plan.

AV-MED HEALTH PLAN, INC.  
Miami, Florida

Plan Description

Qualification Date: 9/9/77  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 9/9/77  
Type of Practice: IPA  
MUA Priority: No

Membership Data as of 6/30/77

Total: 12  
Medicaid: \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Loan Guarantee:	\$1,100,000	\$1,100,000

\*Plan has not been qualified long enough to submit required reports to DHEW.

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AMERICAN HEALTH PLAN  
North Miami Beach, Florida

Plan Description

Qualification Date: 7/29/77  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 9/73  
Type of Practice: Group  
MUA Priority: No

Membership Data as of 6/30/77

Total: 5,346\*\*  
Medicaid: \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Loan	\$1,182,000	\$1,182,000

FAMILY HEALTH PROGRAM

Tamuning, Guam

Plan Description

Qualification Date: 7/29/77  
 Sponsorship: Private  
 Non-Metropolitan: Unknown  
 Operational Date: 8/1/73  
 Type of Practice: Staff  
 MUA Priority: Unknown

Membership Data as of 6/30/77

Total: 33,585  
 Medicaid: \*  
 Medicare: \*  
 Net Change for Year: \*  
 Average Members per Contract: \*

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 274  
 Medical Encounters per Member: 3.2  
 Other Ambulatory Encounters per Member: \*

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
 Expense per Member per Month: \*

DHEW Assistance: None

\*Plan has not been qualified long enough to submit required reports to DHEW.

NOTE: Family Health Programs in Long Beach, Guam, and Utah have been qualified as one HMO.

GEM HEALTH ASSOCIATION

Boise, Idaho

Plan Description

Qualification Date: 6/27/77  
 Sponsorship: Consumer  
 Non-Metropolitan: No  
 Operational Date: 10/1/77  
 Type of Practice: Group  
 MUA Priority: No

Membership Data as of 6/30/77

Total: 2,832  
 Medicaid: \*  
 Medicare: \*  
 Net Change for Year: \*  
 Average Members per Contract: \*

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: \*  
 Medical Encounters per Member: \*  
 Other Ambulatory Encounters per Member: \*

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
 Expense per Member per Month: \*

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants	\$ 185,276	\$1,124,634
Loan	1,735,000	1,735,000

\*Plan has not been qualified long enough to submit required reports to DHEW.

HMO OF ILLINOIS, INC.  
Chicago, Illinois

Plan Description

Qualification Date: 6/15/77  
Sponsorship: Unknown  
Non-Metropolitan: No  
Operational Date: 6/15/77  
Type of Practice: IPA  
MUA Priority: No

Membership Data as of 6/30/77

Total: \*  
Medicaid: \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: \*  
Medical Encounters per Member: \*  
Other Ambulatory Encounters per Member: \*

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
Expense per Member per Month: \*

DHEW Assistance: None

\*Plan has not been qualified long enough to submit required reports to DHEW.

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INTERGROUP PREPAID HEALTH SERVICES, INC.  
Chicago, Illinois

Plan Description

Qualification Date: 4/18/77  
Sponsorship: Carrier  
Non-Metropolitan: No  
Operational Date: 1/1/72  
Type of Practice: IPA  
MUA Priority: No

Membership Data as of 6/30/77

Total: 21,640  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 747  
Average Members per Contract: \*

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 580  
Medical Encounters per Member: 3.6  
Other Ambulatory Encounters per Member: 0.4

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
Expense per Member per Month: \*

DHEW Assistance: None

\*Data not reported.

NOTE: Data on this plan are for the quarter ending 6/30/77. The plan was not required to report for the previous three quarters. Utilization data have been annualized.

NORTH COMMUNITIES HEALTH PLAN, INC.  
Evanston, Illinois

Plan Description

Qualification Date: 11/11/75  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 5/1/75  
Type of Practice: Group  
MUA Priority: No

Membership Data as of 6/30/77

Total: 8,972  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 2,256  
Average Members per Contract: 1.9

DHEW Assistance: Fiscal Year 1977

Title XIII Grants  
Loan

Utilization Data for Year Ending  
6/30/77

Hospital Days per 1,000 Members: 543  
Medical Encounters per Member: 3.3  
Other Ambulatory Encounters per Member: 0.1

Financial Data for Year Ending  
6/30/77

Income per Member per Month: \$25.91  
Expense per Member per Month: '\$35.84

METRO HEALTH PLAN  
Indianapolis, Indiana

Plan Description

Qualification Date: 1/31/77  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 11/1/74  
Type of Practice: Staff  
MUA Priority: Unknown

Membership Data as of 6/30/77

Total: 6,911  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 714  
Average Members per Contract: 2.3

DHEW Assistance: Fiscal Year 1977

Loan

Utilization Data for Year Ending  
6/30/77

Hospital Days per 1,000 Members: 552  
Medical Encounters per Member: 5.5  
Other Ambulatory Encounters per Member: 0.5

Financial Data for Year Ending  
6/30/77

Income per Member per Month: \$24.14  
Expense per Member per Month: \$35.48

Cumulative  
\$1,264,000

Cumulative  
\$1,264,000

NOTE: Utilization, membership and financial data are for the two-quarter period ending 6/30/77. The plan was not required to report for the previous two quarters. Utilization data have been annualized.

HEALTHCARE OF LOUISVILLE, INC.  
Louisville, Kentucky

Plan Description

Qualification Date: 4/2/76  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 7/1/74  
Type of Practice: Staff  
MUA Priority: Yes

Membership Data as of 6/30/77

Total: 8,402  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 2,724  
Average Members per Contract: 2.2

DHEW Assistance:      Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$752,715
Loan	

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 581  
Medical Encounters per Member: 3.9  
Other Ambulatory Encounters per  
Member: 0.2

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \$19.12  
Expense per Member per Month: \$30.69

HARVARD COMMUNITY HEALTH PLAN

Allston, Massachusetts

Plan Description

Qualification Date: 9/1/77  
Sponsorship: University  
Non-Metropolitan: No  
Operational Date: 10/69  
Type of Practice: Group  
MUA Priority: No

Membership Data as of 6/30/77

Total: 64,000  
Medicaid: 350  
Medicare: 2,700  
Net Change for Year: \*  
Average Members per Contract: \*

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 350  
Medical Encounters per Member: 4.2  
Other Ambulatory Encounters per  
Member: \*

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \*  
Expense per Member per Month: \*

DHEW Assistance: None

\*Plan has not been qualified long enough to submit required reports to DHEW.

GROUP HEALTH PLAN OF SOUTHEAST MICHIGAN

Warren, Michigan

Plan Description

Qualification Date: 9/1/77  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 9/20/77  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: \*  
Medicaid: \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants		\$1,223,500
Loan	\$2,500,000	2,500,000

\*Plan has not been qualified long enough to submit required reports to DHEW.

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SHARE HEALTH PLAN

St. Paul, Minnesota

Plan Description

Qualification Date: 6/30/76  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 1/1/74  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 11,922  
Medicaid: 308  
Medicare: 0  
Net Change for Year: 1,764  
Average Members per Contract: 2.6

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>
Title XIII Grants	
Loan	

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: \*  
Medical Encounters per Member: \*  
Other Ambulatory Encounters per  
Member: \*

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \*  
Expense per Member per Month: \*

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 449  
Medical Encounters per Member: 3.6  
Other Ambulatory Encounters per  
Member: 0.2

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \$24.57  
Expense per Member per Month: \$27.48

<u>Cumulative</u>
\$500,000
850,000

PRIME HEALTH  
Kansas City, Missouri

Plan Description

Qualification Date: 11/26/76  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 11/1/76  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 5,932  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 3,654  
Average Members per Contract: 2.2

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants		\$1,112,381
Loan	\$2,273,000	2,273,000

NOTE: Utilization, membership, and financial data are for the two-quarter period ending 6/30/77. The plan was not required to report for the previous two quarters. Utilization data have been annualized.

GROUP HEALTH PLAN OF NEW JERSEY  
Guttenberg, New Jersey

Plan Description

Qualification Date: 6/27/77  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 4/1/77  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: \*  
Medicaid: \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants	\$ 7,551	\$1,170,000
Loan	2,478,000	2,478,000

\*Plan has not been qualified long enough to submit required reports to DHEW.

HEALTH CARE PLAN OF NEW JERSEY  
Moorestown, New Jersey

Plan Description

Qualification Date: 5/27/76  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 6/1/76  
Type of Practice: IPA  
MUA Priority: No

Membership Data as of 6/30/77

Total: 4,042  
Medicaid: 0  
Medicare: 430  
Net Change for Year: 3,588  
Average Members per Contract: 2.3

DHEW Assistance: Fiscal Year 1977

	Cumulative
Title XIII Grants	\$ 846,169
Loan	1,771,000

RUTGERS COMMUNITY HEALTH PLAN  
New Brunswick, New Jersey

Plan Description

Qualification Date: 7/1/76  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 7/1/76  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 11,183  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 11,183  
Average Members per Contract: 2.6

DHEW Assistance: Fiscal Year 1977

	Cumulative
Title XIII Grants	\$1,125,000
Loan	2,000,000

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 319  
Medical Encounters per Member: 4.3  
Other Ambulatory Encounters per  
Member: 1.2

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \$24.77  
Expense per Member per Month: \$58.85

Utilization Data for Year Ending

6/30/77  
Hospital Days per 1,000 Members: 186  
Medical Encounters per Member: 2.4  
Other Ambulatory Encounters per  
Member: 0.5

Financial Data for Year Ending

6/30/77  
Income per Member per Month: \$20.32  
Expense per Member per Month: \$28.40

CENTRAL ESSEX HEALTH PLAN

Orange, New Jersey

Plan Description

Qualification Date: 12/28/76  
 Sponsorship: Hospital  
 Non-Metropolitan: No  
 Operational Date: 1/1/77  
 Type of Practice: Staff  
 MUA Priority: No

Membership Data as of 6/30/77

Total: 291  
 Medicaid: 0  
 Medicare: 0  
 Net Change for Year: 294  
 Average Members per Contract: 3.7

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants		\$1,044,607
Loan	\$2,178,000	2,178,000

\*These figures are unusually high because of startup costs and low membership base.

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CAPITAL AREA COMMUNITY HEALTH PLAN

Albany, New York

Plan Description

Qualification Date: 12/6/76  
 Sponsorship: Consumer  
 Non-Metropolitan: No  
 Operational Date: 1/1/77  
 Type of Practice: Staff  
 MUA Priority: No

Membership Data as of 6/30/77

Total: 6,703  
 Medicaid: 0  
 Medicare: 0  
 Net Change for Year: 6,703  
 Average Members per Contract: 2.4

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants		\$1,095,404
Loan	\$1,832,000	1,832,000

NOTE: Utilization, membership, and financial data are for the two-quarter period ending 6/30/77. Both plans were not required to report for the previous two quarters. Utilization data have been annualized.

GENESEE VALLEY GROUP HEALTH ASSOCIATION

Rochester, New York

Plan Description

Qualification Date: 1/30/76  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 8/1/73  
Type of Practice: Group  
MUA Priority: No

Membership Data as of 6/30/77

Total: 30,817  
Medicaid: 0  
Medicare: 446  
Net Change for Year: 6,024  
Average Members per Contract: 2.5

DHEW Assistance:      Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$ 298,500
Loan	2,500,000

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 321  
Medical Encounters per Member: 4.7  
Other Ambulatory Encounters per Member: 0.2

Financial Data for Year Ending

6/30/77

Income per Member per Month: \$23.83  
Expense per Member per Month: \$26.24

WESTCHESTER COMMUNITY HEALTH PLAN

White Plains, New York

Plan Description

Qualification Date: 9/28/76  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 10/1/76  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 3,977  
Medicaid: 0  
Medicare: 0  
Net Change for year: 3,978  
Average Members per Contract: 2.2

DHEW Assistance:      Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$1,114,902
Loan	2,500,000

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 433  
Medical Encounters per Member: 4.5  
Other Ambulatory Encounters per Member: 1.7

Financial Data for Year Ending

6/30/77

Income per Member per Month: \$25.48  
Expense per Member per Month: \$77.39

NOTE: Utilization, membership, and financial data are for the three-quarter period ending 6/30/77. The plan was not required to report for the previous quarter. Utilization data have been annualized.

MARION HEALTH FOUNDATION  
Marion, Ohio

Plan Description

Qualification Date: 11/30/76  
Sponsorship: Physician  
Non-Metropolitan: Yes  
Operational Date: 4/1/76  
Type of Practice: IPA  
MUA Priority: No

Utilization Data for Year Ending  
6/30/77

Hospital Days per 1,000 Members: 514  
Medical Encounters per Member: 5.5  
Other Ambulatory Encounters per  
Member: 1.0

Financial Data for Year Ending  
6/30/77

Income per Member per Month: \$31.81  
Expense per Member per Month: \$27.90

Membership Data as of 6/30/77

Total: 1,917  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 1,002  
Average Members per Contract: 2.4

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants	\$ 74,936	\$419,115
Loan	681,000*	681,000*

\*Loan was committed during F.Y. 1977, but has not yet been endorsed.

NOTE: Utilization, membership, and financial data are for the two-quarter period ending 6/30/77. The plan was not required to report for the previous two quarters. Utilization data have been annualized.

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PORLAND METRO HEALTH, INC.  
Portland, Oregon

Plan Description

Qualification Date: 1/1/76  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 1/1/76  
Type of Practice: IPA  
MUA Priority: No

Utilization Data for Year Ending  
6/30/77

Hospital Days per 1,000 Members: 606  
Medical Encounters per Member: 3.2  
Other Ambulatory Encounters per  
Member: 0.4

Financial Data for Year Ending  
6/30/77

Income per Member per Month: \$26.48  
Expense per Member per Month: \$44.10

Membership Data as of 6/30/77

Total: 7,285  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 5,088  
Average Members per Contract: 2.1

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants		\$ 455,188
Loan	\$1,500,000	2,500,000

HEALTH SERVICES PLAN OF PENNSYLVANIA  
Philadelphia, Pennsylvania

Plan Description  
Qualification Date: 4/26/76  
Sponsorship: Physician  
Non-Metropolitan: No  
Operational Date: 4/1/74  
Type of Practice: Group  
MUA Priority: Unknown

Utilization Data for Year Ending  
6/30/77  
Hospital Days per 1,000 Members: 592  
Medical Encounters per Member: 3.9  
Other Ambulatory Encounters per  
Member: 0.2

Membership Data as of 6/30/77  
Total: 4,780  
Medicaid: 0  
Medicare: 8  
Net Change for Year: 4,296  
Average Members per Contract: 2.4

Financial Data for Year Ending  
6/30/77  
Income per Member per Month: \$23.52  
Expense per Member per Month: \$58.76

DHEW Assistance:      Fiscal Year 1977  
Loan

Cumulative  
\$2,213,000

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PENN GROUP HEALTH PLAN, INC.  
Pittsburgh, Pennsylvania

Plan Description  
Qualification Date: 11/28/75  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 9/1/75  
Type of Practice: Group  
MUA Priority: No

Utilization Data for Year Ending  
6/30/77  
Hospital Days per 1,000 Members: 392  
Medical Encounters per Member: 2.3  
Other Ambulatory Encounters per  
Member: 0.2

Membership Data as of 6/30/77  
Total: 13,483  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 10,536  
Average Members per Contract: 2.6

Financial Data for Year Ending  
6/30/77  
Income per Member per Month: \$21.63  
Expense per Member per Month: \$27.06

DHEW Assistance:      Fiscal Year 1977  
Title X III Grants  
Loan

Cumulative  
\$ 602,439  
1,000,000

HMO OF PENNSYLVANIA  
Willow Grove, Pennsylvania

Plan Description

Qualification Date: 6/17/77  
Sponsorship: Unknown  
Non-Metropolitan: No  
Operational Date: 1/77  
Type of Practice: IPA  
MUA Priority: No

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 485  
Medical Encounters per Member: \*  
Other Ambulatory Encounters per  
Member: \*

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
Expense per Member per Month: \*

Membership Data as of 6/30/77

Total: 3,460  
Medicaid: \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title X III Grants	\$ 238,570	\$ 815,106
Loan	2,500,000	2,500,000

\*Plan has not been qualified long enough to submit required reports to DHEW.

RHODE ISLAND GROUP HEALTH ASSOCIATION, INC.  
North Providence, Rhode Island

Plan Description

Qualification Date: 10/30/75  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 1/1/70  
Type of Practice: Staff  
MUA Priority: No

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 391  
Medical Encounters per Member: 3.6  
Other Ambulatory Encounters per  
Member: 1.1

Financial Data for Year Ending

6/30/77

Income per Member per Month: \$27.34  
Expense per Member per Month: \$29.06

Membership Data as of 6/30/77

Total: 21,995  
Medicaid: 133  
Medicare: 594  
Net Change for Year: 4,416  
Average Members per Contract: 2.4

DHEW Assistance:      Fiscal Year 1977

	<u>Cumulative</u>
Title X III Grants	\$1,050,000
Loan	2,000,000

PIEDMONT HEALTH CARE CORPORATION  
Greenville, South Carolina

Plan Description

Qualification Date: 12/29/75  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 10/30/72  
Type of Practice: Staff  
MUA Priority: Unknown

Membership Data as of 6/30/77

Total: 2,781  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 2,052  
Average Members per Contract: 2.8

Utilization Data for Year Ending  
6/30/77

Hospital Days per 1,000 Members: 537  
Medical Encounters per Member: 5.1  
Other Ambulatory Encounters per Member: 0.1

Financial Data for Year Ending  
6/30/77

Income per Member per Month: \$33.00  
Expense per Member per Month: \$40.24

DHEW Assistance: None

PRUDENTIAL HEALTH CARE PLAN

Houston, Texas

Plan Description

Qualification Date: 6/2/76  
Sponsorship: Carrier  
Non-Metropolitan: No  
Operational Date: 7/1/76  
Type of Practice: Group  
MUA Priority: No

Membership Data as of 6/30/77

Total: 6,541  
Medicaid: 0  
Medicare: 0  
Net Change for Year: 6,540  
Average Members per Contract: 2.3

Utilization Data for Year Ending  
6/30/77

Hospital Days per 1,000 Members: 504  
Medical Encounters per Member: 4.2  
Other Ambulatory Encounters per Member: 0.1

Financial Data for Year Ending  
6/30/77

Income per Member per Month: \$27.23  
Expense per Member per Month: \$32.24

DHEW Assistance: None

FAMILY HEALTH PROGRAM  
Salt Lake City, Utah

Plan Description

Qualification Date: 7/29/77  
Sponsorship: Private  
Non-Metropolitan: No  
Operational Date: 1/1/76  
Type of Practice: Staff  
MUA Priority: No

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: 455  
Medical Encounters per Member: 4.3  
Other Ambulatory Encounters per Member: \*

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
Expense per Member per Month: \*

Membership Data as of 6/30/77

Total: 15,000  
Medicaid: 4,223  
Medicare: 132  
Net Change for Year: \*  
Average Members per Contract: \*

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants		\$32,357

\*Plan has not been qualified long enough to submit required reports to DHEW.

NOTE: Family Health Programs in Long Beach, Guam, and Utah have been qualified as one HMO.

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COOPERATIVE HEALTH PLAN OF GREATER SPOKANE  
Spokane, Washington

Plan Description

Qualification Date: 8/30/77  
Sponsorship: Private (Consumer)  
Non-Metropolitan: No  
Operational Date: 8/1/77  
Type of Practice: Group  
MUA Priority: No

Utilization Data for Year Ending

6/30/77

Hospital Days per 1,000 Members: \*  
Medical Encounters per Member: \*  
Other Ambulatory Encounters per Member: \*

Financial Data for Year Ending

6/30/77

Income per Member per Month: \*  
Expense per Member per Month: \*

Membership Data as of 6/30/77

Total: \*  
Medicaid: \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

<u>DHEW Assistance:</u>	<u>Fiscal Year 1977</u>	<u>Cumulative</u>
Title XIII Grants		\$1,172,480
Loan	\$2,500,000	2,500,000

\*Plan has not been qualified long enough to submit required reports to DHEW.

SOUND HEALTH ASSOCIATION  
Tacoma, Washington

Plan Description

Qualification Date: 1/23/76  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 4/1/74  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 8,456  
Medicaid: 1,183  
Medicare: 0  
Net Change for Year: 4,536  
Average Members per Contract: 2.2

DHEW Assistance:      Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$ 304,738
Loan	2,500,000

GROUP HEALTH COOPERATIVE OF SOUTH CENTRAL WISCONSIN

Madison, Wisconsin

Plan Description

Qualification Date: 6/27/77  
Sponsorship: Consumer  
Non-Metropolitan: No  
Operational Date: 12/1/75  
Type of Practice: Staff  
MUA Priority: No

Membership Data as of 6/30/77

Total: 879  
Medicaid: \*  
Medicare: \*  
Net Change for Year: \*  
Average Members per Contract: \*

DHEW Assistance:      Fiscal Year 1977

	<u>Cumulative</u>
Title XIII Grants	\$ 125,000
Loan	2,500,000

\*Plan has not been qualified long enough to submit required reports to DHEW.

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